(iii) Sales Tax.

315. The Mysore Sales Tax Amended Act and Rules which came into force from 1st April 1955, continued during the year.

316. The Mysore Motor Spirit Taxation on Sales Act and the Mysore Sales Tax Act, 1948, were extended to Bellary District on the 1st day of April 1956.

317. Among the important changes introduced during the year were:—

(i) to exempt from the tax payable under Section 3 of the said Act, all sales by persons residing in the State of Coorg through their Agents residing in Mysore State on the first point sale in the State of Mysore of Agricultural or Horticultural produce grown on lands of the said persons in the State of Coorg or on lands in that State in which they have an interest subject to the condition that the Agent concerned produces a certificate obtained by his principal from the Agricultural Income Tax Officer, Coorg, to the effect that the produce was grown by the principal.

(ii) to exempt from the tax payable under Section 3 of the said Act, all the sales of charakas and their spare parts effected by or through the All India Khadi and Village Industries Board in the State of Mysore.

318. *Working of the Act.*— Out of 20,957 registered dealers, 11,951 were assessed to tax and 5,827 were below taxable limit. The amount of registration fees collected amounted to Rs. 1,24,051 (Rs. 1,38,324).

Licenses

319. The number of licenses issued and renewed during the year was 9,687 (9,320). The amount of license fee collected was Rs. 4,89,769 (Rs. 4,82,808).

D. C. B.

320. The total net demand, collections and balance under Sales Tax both under arrears and current demand for Old Mysore Area were Rs. 2,03,38,503, Rs. 1,47,02,624 and Rs. 56,35,879 respectively. Under fines and penalties, out of a demand of Rs. 63,345, an amount of Rs. 63,006 (Rs. 64,523-86) was collected with a balance of Rs. 339.

321. The demand, collection and balance for the other integrated areas is as below.—

	Demand.	*Collection.*	*Balance.*
	Rs. N.P.	Rs. N.P.	Rs. N.P.
Bombay Area ...	34,76,096-2	9,52,962-44	22,52,313-58
Madras Area ...	60,99,171-81	55,28,374-10	5,70,797-71
Hyderabad Area ,,,	42,73,188-6	30,85,864-93	11,87,323-3